



February 23rd, 2021

**Written testimony of William E. White, President, Beechwood Post Acute & Transitional Care
Concerning the Governor's Recommended FY 2022 and FY 2023 Proposed Budget**

Hello Senator Osten, Representative Walker, Representative Nolan and the members of the Appropriations Committee. My name is Bill White. I am the Administrator and President at Beechwood Post Acute & Transitional Care in New London, Connecticut. Beechwood has been providing family owned and operated nursing home care in our community for over 65 years. We are a 60-bed home, and we have nearly 100 employees working with us.

I am especially proud of the work our nursing home has done during the last two years, a period unlike any of us have ever known. We have worked as a team to keep our residents and each other safe. We have passed multiple visits by the Department of Public Health without any infection control violations. Most of all, we have been blessed thus far that none of our residents or staff members has died from COVID. That effort has not been without significant expense - every bit of which was worth it to keep our Beechwood family safe. We have also seen a dramatic reduction in income, due to occupancy levels reduced by 20% to 25% over prior years. It is a combination as a profession that we won't survive without your help.

We established our own booster mandate, requiring that all eligible staff received their COVID booster by 11/30/21. 100% of our eligible staff are boosted with only a handful now waiting to get to their eligibility dates.

Severe Staffing Shortages is Hindering Admissions, Increasing Labor Costs and Slowing the Nursing Home Recovery Plan

The severe staffing shortages our nursing home faces is far and above the most significant challenge we are dealing with at this stage of the pandemic.

The staffing shortages are so significant that Beechwood routinely is unable to accommodate admissions from hospitals as we are not fully able to address the care needs of additional residents without staff. Lack of staff is hindering our mission as a good community partner.

Consequently, our occupancy is much lower than normal, but the low number is really a distortion caused by the staffing shortages and how it impacts admissions and occupancy levels. It's not at all a true reflection of the need or demand for our services, but it is a reality. We fully expect to improve over time as the staffing situation improves, but we are concerned that this will be a slow process, perhaps years long, as our state and overall health care system recovers from the pandemic. Our nursing home's labor-related costs began an unprecedented dramatic rise last Fall and is showing no sign of relenting.

Nursing Staffing Pools and Negative Impact on Care and Increased Costs

Beechwood has been very negatively impacted by the staffing shortages in so many ways, but the impact of having to turn to nurse and CNA staffing agencies has been particularly troublesome. Using these nurse staffing pool agencies has been a measure of last resort at our nursing home. The financial consequences have been enormous. We are seeing unbelievable spikes in the costs of staff through these agencies. For example, in the last 6 months, we have spent the equivalent of 2.5 week of TOTAL payroll, for our entire home, on a handful of agency staff. We understand the Connecticut Attorney General is reviewing these pricing practices and we believe Connecticut should pass legislation that caps these abnormal and harmful fees.

The Connecticut General Assembly has provided a Lifeline of Nursing Home Support, But the Staffing Issues Remain Unaddressed

Before closing, we must thank the state legislature for the tremendous support we have received that has provided additional support for our employees and stability during this period. Our nursing home faithfully implemented the 4.5% employee wage enhancements adopted last session but more help is needed to further bolster employee wages and benefits and in additional financial rate relief to address the extraordinary increased labor costs now being experienced and not reflected in any of the prior support we have received.

I wrote in testimony two years ago that I feared that our nursing home was at a tipping point where we could not go another year without significant and structural Medicaid rate relief. I am here today to tell you we passed that tipping point, we are on the downhill slide, and we need your help to apply the brakes.

Please help us deliver the care we all want and please make ever more urgent nursing home funding a priority as you assess this year's budget.

On behalf of everyone at Beechwood, thank you and I would be happy to answer any questions you may have.

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